

# **FISCAL NOTE**

## **SB 2640 – HB 2958**

February 21, 1998

**SUMMARY OF BILL:** Allows licensees of the Tennessee Real Estate Commission to pay their errors and omissions insurance directly to the issuer of the insurance and increases the penalty to a Class E felony for any person acting as a broker, affiliate broker or time-share salesperson without first obtaining a license.

### **ESTIMATED FISCAL IMPACT:**

**State Revenues – Net Impact - Not Significant**  
**Increase State Expenditures - \$60,000/Incarceration\***

The provisions of this bill remove the responsibility of the Commission to collect errors and omission insurance payments and forward the same payments to the issuer of the insurance.

Assumes 14 convictions per year for a Class E Felony.

*\*Section 9-6-119, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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